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PLANT MANAGEMENT COMMITTEES
AND PLANT REPRESENTATIVE CONFERENCES IN CHINA

[Comment: This report summarizes information from Chapters 7, 8, and 9 of the monograph, Kung-yuan Hui-chi (Collection of Documents on the Labor Movement), prepared by the Preparatory Committee of the Tientsin General Labor Union. It discusses the organization of plant management committees, plant representative conferences, and the Democratic control of enterprises.]

A. Organization of Plant Management Committee

In a speech made by P'eng Cheng during a plant cadre conference in Peiping, that was published in the 6 May 1949 issue of the Tientsin Jih-pao, P'eng emphasized the importance of organizing workers in publicly operated factories to follow the General Line and to remove all forms of bureaucratism and commandism. He said:

"All publicly operated plants must set up plant management committees. The Communist Party is made up of proletarians and follows the new democracy led by the labor class. All workers, including superintendents, engineers, and labor representatives, should participate in plant management committees. In a large plant, all management committee representatives are elected by members of a labor representative conference; in a small plant, they are elected directly by the workers. Plant supervisors and managers require no votes, for they are automatically chairmen of these management committees. In accordance with the General Line, the plant management committee must acquaint every worker with the aims, political stand, labor organizations, and workers' benefits of the plant. As for good working relationships, workers must follow the plant chief's supervision but are free to criticize his mistakes. On the other hand, the plant chief should call frequent meetings to get ideas from the workers and conduct criticism and self-criticism sessions to improve the plant operations. Administrative chiefs should inform the workers of the plant production goals and take care of their needs."

B. Setting Up Plant Management Committee and Plant Representative Conference

All state-operated and publicly operated enterprises must have plant management committees comprised of plant managers, assistant managers, engineers, and other equally responsible persons. While managers and assistant managers are automatically members of the committee, the eligibility of others, whose nominations are submitted by managers, is determined by higher authorities. Representatives, on the other hand, are elected directly by the workers. The number of committee members is determined, in the final analysis, by the size of a plant. The average is about 5 to 17 members. In a large plant, the management committee should be established at all levels, including branches, offices, and sections. Committee members are elected every 6 months, but elections may be held at any time. Regular committee meetings of small plants and branches must be held weekly; of the main plant, semimonthly.

The function of a plant management committee is to carry out production plans, formulate production and administrative policies, perform periodic inspection, and make reports on the plant's operations. The plant manager enforces decisions of the management committee. The standing committee should hold a daily discussion period to solve problems of the plant.

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All state-operated and publicly operated plants with more than 200 employees must hold plant representative conferences monthly or semimonthly, the duration of which should not exceed half a day. In general, they should be held on rest days and during nonworking hours. Representatives are elected once a year. Plants having less than 200 employees need not hold these representative conferences, but the plant chiefs must call employee meetings monthly or semimonthly. The function of a plant representative conference is to discuss the reports of the plant management committee and to suggest improvements on the committee's operations and management. All administrative decisions proposed by the plant representative conference must be approved by the plant management committee before they can be carried out by the plant chief.

C. Democratic Control of Enterprises

Successful business operations depend on two factors, enterprising ideas and democratic control. To illustrate, since the Sixth Congress of the All-China Federation of Labor, many enterprising ideas have been suggested to increase the productive capacities of various state-operated and publicly operated enterprises. Some of the ideas adopted include the accounting system and the production responsibility system. While adoption of these systems have, to some extent, improved the operation of the various enterprises, many workers failed to grasp the true meaning of democratic control, mainly because the administration cadres have neglected to emphasize its importance. It is a well-known fact that production reforms and production increases can best be achieved through the cooperation of the workers, not through administrative measures. Some administrative cadres still practice commandism, ignoring the desires of the workers and the labor unions. Many of the administrators have the attitude that production quotas and administrative details occupy so much of their time that they cannot be bothered with the demands of the labor unions. As a result, they not only neglect them, but also often hinder their progress. This, of course, could easily damage the prestige of administrators.

A plant manager represents the working class; therefore, he should be the chairman of a plant management committee. He should also have the power to decide all major problems involving the operations of a plant, providing the workers are consulted in the decision. All major problems such as production plans and wage adjustments should be discussed in a plant management committee meeting or a representative conference before final decisions are made. Only through such democratic procedures can the manager come to the best solution. For example, to solve the many difficult problems in setting up machinery for Pen-ch'i Coal and Iron Company, the manager called a meeting of all the workers to discuss the possible solutions. After several days, they were able, in an orderly manner, to install some 20 lathes, more than 90 pieces of machinery, several hundred tons of steel plates and pipes, and equipment costing several million yuan. This shows the importance of democratic control. All plant managers and cadres should study the General Line and help the labor unions. The managers should devote 51 percent of their time to the work in the shops and to listening to the workers' suggestions.

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